RAILROAD COMMISSION OF TEXAS HEARINGS DIVISION

OIL AND GAS DOCKET NO. 08-0279365

IN THE SPRABERRY (TREND AREA) FIELD, GLASSCOCK COUNTY, TEXAS

FINAL ORDER

DENYING THE APPLICATION OF HIGH ROLLER WELLS, LLC FOR COMMERCIAL DISPOSAL AUTHORITY PURSUANT TO STATEWIDE RULE 9
FOR THE HIGHROLLER GLASSCOCK SWD LEASE, WELL NO. 1
SPRABERRY (TREND AREA) FIELD
GLASSCOCK COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on October 17, 2013, the presiding examiners have made and filed a report and proposal for decision containing findings of fact and conclusions of law, which was served on all parties of record; that the proposed application is in compliance with all statutory requirements; and that this proceeding was duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas.

The Commission, after review and due consideration of the examiners' report and proposal for decision, the findings of fact and conclusions of law contained therein, and any exceptions and replies thereto, hereby adopts as its own Findings of Fact Nos. 1, 2, 5 and 6, and Conclusions of Law Nos. 1 and 2, and incorporates said findings of fact and conclusions of law as if fully set out and separately stated herein. The Commission expressly declines to adopt proposed Findings of Fact Nos. 3 and 4 and proposed Conclusions of Law Nos. 3 and 4. The Commission adopts the following substitute Findings of Fact and Conclusions of Law:

Substitute Findings of Fact:

- 3. The applicant did not demonstrate that the proposed well would not endanger usable quality water or hydrocarbon resources.
 - a. There are existing producing wells within a one-quarter and one-half mile radius of the proposed injection well that are not cemented in a manner that ensures injected fluids will be confined to the injection interval.
 - b. The uncemented wellbores may become conduits for migration of injected fluids into hydrocarbon producing zones or usable quality groundwater zones.

Substitute Conclusions of Law:

3. High Roller Wells, LLC, has not met its burden of proof and its application does not satisfy the requirements of Chapter 27 of the Texas Water Code and the Railroad Commission's Statewide Rule 9. Applicant did not establish that the proposed disposal well will not harm usable quality water or mineral resources.

Therefore, it is **ORDERED** by the Railroad Commission of Texas that the application of High Roller Wells, LLC for Commercial Disposal Authority Pursuant to Statewide Rule 9 for the Highroller Glasscock Swd Lease, Well No. 1, Spraberry (Trend Area) Field, Glasscock County, Texas, is hereby **DENIED**.

Each exception to the examiners' proposal for decision not expressly granted herein is overruled. All requested findings of fact and conclusions of law which are not expressly adopted herein are denied. All pending motions and requests for relief not previously granted or granted herein are denied.

This order will not be final and effective until 20 days after a party is notified of the Commission's order. A party is presumed to have been notified of the Commission's order three days after the date on which the notice is actually mailed. If a timely motion for rehearing is filed by any party at interest, this order shall not become final and effective until such motion is overruled, or if such motion is granted, this order shall be subject to further action by the Commission. Pursuant to TEX. GOV'T CODE §2001.146(e), the time allotted for Commission action on a motion for rehearing in this case prior to its being overruled by operation of law, is hereby extended until 90 days from the date the order is served on the parties.

Done this 8th day of April, 2014.

RAILROAD COMMISSION OF TEXAS

CHAIRMAN BARRY I SMITHERMAN

COMMISSIONER DAVID PORTER

COMMISSIONER CHRISTI CRADDICK

ATTEST

SECRETARY